

**LYNDON TOWNSHIP
APPLICATION AND INSTRUCTIONS FOR 2020
HARDSHIP/POVERTY REDUCTION**

The 2020 Application for One Year Poverty Reduction has been modified to be consistent with the requirements of the State of Michigan regarding poverty exemptions. To be considered for a poverty reduction, the following information **MUST** be provided.

1. **COMPLETE ALL SECTIONS OF THIS APPLICATION IN FULL; DO NOT LEAVE ANY BLANK LINES/AREAS. WRITE IN N/A IF THE AREA DOES NOT APPLY TO YOU.**
Applications may be considered ineligible if they are not completed in full.
2. Submit a **completed and signed copy** of the following:

2019 Michigan Homestead Property Tax Credit Claim (MI 1040 CR)

2019 Federal Income Tax Return (1040) or an affidavit (Form 4988), if you are not required to file federal income tax.

2019 Federal Income Tax Return (1040) or an affidavit (Form 4988), if any other occupant of your home that is not required to file federal income tax.

All income tax returns must be signed. Applications will be returned if signatures are missing.
3. If an occupant of your home is not employed but has income from another source, you must show the income in "Annual Income" on page 1 of your application. It must also be on page 3 under the "2019 Household Income" section.
4. If you completed the section on page one of the application indicating you have major or unusual out-of-pocket expenses, you must provide copies of documents verifying these expenses. **This does not include documentation of everyday living expenses.**
5. The application must be legible. If you need or want to provide additional information, please attach a separate sheet.
6. Please do not submit originals of supporting documentation. We are required to keep all documentation for our records in the event of audit by the Michigan Department of Treasury.
7. If the application is incomplete or you do not include copies of the required financial documents, ie: Federal Income Tax Forms; you will be ineligible for a hardship reduction.
8. It is recommended that the applicant attend the Board of Review meeting or be available by telephone the day of the Board of Review.

PROPERTY INFORMATION

Purchase Date: _____ Purchase Price: _____ (If home was purchased in the last three (3) years, attach documents used to qualify for the mortgage and explain why funds were not set aside for taxes.)

Do you own this property free and clear? () Yes () No

If not, amount of monthly payment: _____ Have any improvements, changes, or additions been made to the property in the last two (2) years? () Yes () No
If yes, Describe Improvements: _____

Are the taxes included in payment? () Yes () No _____

Are property taxes current? () Yes () No _____
If not, amount past due _____

Have you taken a Reverse Mortgage on this property ? () Yes () No
If yes, please detail _____

GENERAL INFORMATION

Have you requested (or are currently receiving) other government assistance? () Yes () No
If yes, please detail the monetary assistance received. _____

If you have college-aged children, are you contributing to their college costs? () Yes () No
If yes, please detail the monetary assistance and provided verification. _____

Are you or members of your household recently unemployed? () Yes () No
If yes, please indicate when first placed on unemployment. _____
How long is the unemployment assistance expected to remain? _____

ASSET INFORMATION

Do you have an ownership interest in any other real estate (including ownership via partnerships, corporation, etc.) in Michigan or anywhere else? () Yes () No If yes, please list (attach additional sheets if needed).

<u>Location</u>	<u>Value</u>	<u>Type of Use</u>	<u>Purchase Date</u>	<u>Purchase Price</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

What are your assets in addition to real estate?

- Cash \$ _____
- Savings Accounts/Certificates & Money Markets \$ _____
- Checking Accounts \$ _____
- Stocks/Bonds/Treasury Bills \$ _____
- Insurance – Cash Value \$ _____
- Investments \$ _____
- IRA, Keogh Annuities, Deferred Compensation \$ _____

HOUSEHOLD EXPENSES

NOTE: VERIFICATION OF EXPENSES MAY BE REQUIRED

MONTHLY

YEARLY

House Payment (principle and interest):		
Life Insurance:		
Health Insurance:		
Home Insurance:		
Auto Insurance:		
Car Payment(s) as listed on page 4:		
Gasoline:		
Home Heating/Cooling/Electricity:		
Telephone/land line/cellular:		
Water/sewer:		
Cable/Internet:		
Child Care:		
Food (not covered by food stamps/bridge card):		
All Other Expenses not listed above:		

LOANS, CREDIT CARDS, AND OTHER OUTSTANDING DEBTS: (other than real estate and vehicles)

Credit Card Company Name Financial Institution		Credit Card Company Name Financial Institution	
Current balance		Current balance	
Monthly Payment		Monthly Payment	

(If more space is needed attach additional page – verification of outstanding debts may be required.)

MEDICAL/DENTAL AND/OR OTHER UNUSUAL EXPENSES (Included expenses for all household members:

NOTE: IF EXPENSES (WITHOUT PROPERTY TAXES EXCEED INCOME, A PROPERTY TAX REDUCTION WILL NOT SOLVE YOUR FINANCIAL PROBLEM. PLEASE EXPLAIN OTHER ACTIONS YOU WILL BE TAKING:

**LYNDON TOWNSHIP
AUTHORIZATION TO VERIFY
POVERTY APPLICATION DATA & TO INSPECT PROPERTY
(2020 application)**

PLEASE READ CAREFULLY:

Parcel Number: _____

Property Address: _____

I/We, _____, am unable to pay the full property taxes on my/our property and hereby make application for property tax relief in accordance with Section 211.7(u)MCL. I/We have read this application and the Poverty Exemption Guidelines and I/We fully understand the contents thereof. I/We declare that the statements made herein are complete, true, and correct to the best of my/our knowledge. I/We further understand that if any information contained herein is found to be false or incomplete, or if the property is sold within the year, any and all relief granted by this application will be forfeited and placed back on the assessment roll with penalties and interest occurring on the additional tax liability.

I/We also authorize a representative of the Lyndon Township Assessing Staff to physically inspect my/or property at some point during the course of this year to ensure accuracy of the property appraisal record card.

APPLICANT SIGNATURE: _____ DATE: _____

SPOUSE SIGNATURE: _____ DATE: _____

OTHER OWNERS SIGNATURE: _____ DATE: _____

OTHER OWNERS SIGNATURE: _____ DATE: _____

Poverty Exemption Affidavit

This form is issued under authority of Public Act 206 of 1893; MCL 211.7u.

INSTRUCTIONS: When completed, this document must accompany a taxpayer's Application for Poverty Exemption filed with the supervisor or the board of review of the local unit where the property is located. MCL 211.7u provides for a whole or partial property tax exemption on the principal residence of an owner of the property by reason of poverty and the inability to contribute toward the public charges. MCL 211.7u(2)(b) requires proof of eligibility for the exemption be provided to the board of review by supplying copies of federal and state income tax returns for all persons residing in the principal residence, including property tax credit returns, or by filing an affidavit for all persons residing in the residence who were not required to file federal or state income tax returns for the current or preceding tax year.

I, _____, swear and affirm by my signature below that I reside in the principal residence that is the subject of this Application for Poverty Exemption and that for the current tax year and the preceding tax year, I was not required to file a federal or state income tax return.

Address of Principal Residence: _____

Signature of Person Making Affidavit

Date

**LYNDON TOWNSHIP
2020 HARDSHIP/POVERTY EXEMPTION
POLICY AND GUIDELINES**

POVERTY EXEMPTION, as defined by the Michigan Compiled Laws, is as follows:

Section 211.7u: (1) The homestead of persons who, in the judgment of the supervisor and board of review, by reason of poverty, are unable to contribute toward the public charge is eligible for exemption in whole or in part from taxation under this act. This section does not apply to the property of a corporation.

Please be aware that as an applicant for Poverty Exemption you must also comply with the following section of the Michigan Compiled Laws:

Section 211.118: Perjury: Any person, who, under any of the proceeding required or permitted by this act shall willfully swear falsely, will be found guilty of perjury and subject to its penalties.

Section 211.119: Willful Neglect: Penalty-.. a person who willfully neglects or refuses to perform a duty imposed upon that person by this act, when no other provision is made in this act, is guilty of a misdemeanor, punishable by imprisonment for not more than 6 months, or a fine of not more that \$300.00, and is liable to a person injured to the full extent of the injury sustained.

The members of the Board of Review analyze all properly submitted applications for Hardship/Poverty Exemptions, according to amended P.A. 360 of 1994, section 211.7u of the Michigan Compiled Laws (MCL). Each taxpayer will be treated the same, and the items to be considered and the manner in which they will be analyzed are listed under the following guidelines.

STATE LAW GUIDELINES:

- 1.) The application for the exemption, in whole or in part, must be completed in its entirety on an annual basis.
- 2.) The property must be owned and occupied by the applicant. A principal residence exemption must be on file confirming the property is their principal residence.
- 3.) Per MCL 211.7u(2b) provided current Income Tax Returns, both Federal and State, including Homestead Property Tax Credit claims (MI-1040CR 1, 2, 3, or 4) for **ALL PERSONS** residing in the homestead. Documentation for all income sources including but not limited to credits, claims, Social Security income, child support, alimony income, bridge cards, and all other income sources must be provided at time of application. If applicant(s) is not required to file a Federal or State Income Tax return, they must complete and file an Income Tax Exemption Affidavit (PA 135 of 2012).
- 4.) Applicant must provide a copy of their driver's license or state I.D., the deed or other document proving ownership and/or residency or verification of information must also be provided.
- 5.) The applicant must meet federal poverty standards or the alternative guidelines as established by Lyndon Township.
- 6.) The Board of Review shall follow the guidelines unless the Board determines there are substantial and compelling reasons why there should be a deviation from the guidelines. If the Board of Review deviates from this policy and guidelines for any reason, they are required by statue to communicate the substantial and compelling reasons for the deviation from the guidelines in writing to the claimant.

- 3.) All applications need to be received at the Assessing Department five (5) full business days prior to the Board of Review. All applications will be processed by the Assessing staff to determine the percentage of household income consumed by property tax. You may be contacted by a staff member to verify information or to do an interior and exterior field inspection of your property.
- 4.) It is the applicant's responsibility to complete all items on the application and give thorough explanations of information that are not self-explanatory. If the applicant's circumstances do not meet the guidelines, an explanation of the substantial and compelling reasons must be submitted in writing or the application will be denied.
- 5.) If your expenses (not including property taxes) exceed your income, a written explanation will be required.
- 6.) A written affidavit is required for all household members over the age of 18 who are not cited as contributing to the household income. Attendance in college or any other schooling above high school is not considered a compelling reason for not contributing to necessary household expenses.
- 7.) Primary applicant may not own any other real estate. The Board can deny an application if they determine that monies spent in the past two years for any unnecessary purchases and/or unnecessary property upgrades that could have been used for property taxes.
- 8.) **Copies of the last three (3) months bank statements** for all persons residing in the household must be included with the application. Poverty exemptions are limited by \$1,000 in savings and other liquid assets and real estate holdings of the homestead (Principle Residence) only.
- 9.) If you have a **mortgage and/or home equity loan** on your property you must **provide a copy of your most recent statement(s)**. If you are more than ninety (90) days in arrears on your payments you may not qualify for a poverty exemption. You will be contacted just prior to the Board of Review for a more recent copy of your statement(s).
- 10.) If the principal residence has been purchased within three (3) years of application, attach documents used to qualify for the mortgage, or if no mortgage, explain why funds were not set aside for taxes.
- 11.) As approved by the Township Board of Trustees, resolution 17-10, to be eligible for the exemption, persons must meet the above asset guidelines, whereas total household non-liquid assets other than the principal residence cannot exceed a cash value of \$25,000, savings and other liquid assets not listed above are limited to \$1,000.

FREQUENTLY ASKED QUESTIONS ABOUT FREE AND REDUCED-PRICE SCHOOL MEALS

Dear Parent/Guardian:

Children need healthy meals to learn. **The Chelsea School District** offers healthy meals every school day. Breakfast costs **\$1.60 & \$1.85**; lunch costs **\$2.85 & \$3.35**. **Your children may qualify for free meals or for reduced-price meals.** Reduced-price is **0.30** for breakfast and **0.40** for lunch. This packet includes an application for free or reduced-price meal benefits, and a set of detailed instructions. Below are some common questions and answers to help you with the application process.

1. WHO CAN GET FREE OR REDUCED-PRICE MEALS?

- All children in households receiving benefits from the **Food Assistance Program (FAP), Family Independence Program (FIP), or Food Distribution Program on Indian Reservations (FDPIR)** are eligible for free meals.
- Foster children that are under the legal responsibility of a foster care agency or court are eligible for free meals.
- Children participating in their school’s Head Start program are eligible for free meals.
- Children who meet the definition of homeless, runaway, or migrant are eligible for free meals.
- Children may receive free or reduced-price meals if your household’s income is within the limits of the Federal Income Eligibility Guidelines. Your children may qualify for free or reduced-price meals if your household income falls at or below the limits on this chart.

FEDERAL INCOME ELIGIBILITY CHART for School Year 2019-2020

Household Size	Annually	Monthly	Weekly
1	23,107	1,926	445
2	31,284	2,607	602
3	39,461	3,289	759
4	47,638	3,970	917
5	55,815	4,652	1,074
6	63,992	5,333	1,231
7	72,169	6,015	1,388
8	80,346	6,696	1,546
Each additional person:	8,177	682	158

2. HOW DO I KNOW IF MY CHILDREN QUALIFY AS HOMELESS, MIGRANT, OR RUNAWAY? Do the members of your household lack a permanent address? Are you staying together in a shelter, hotel, or other temporary housing arrangement? Does your family relocate on a seasonal basis? Are any children living with you who have chosen to leave their prior family or household? If you believe children in your household meet these descriptions and haven’t been told your children will get free meals, please call or e-mail **school, homeless liaison, Charlotte Yu, (cyu@chelsea.k12.mi.us, 734-433-2203 ext. 3207).**
3. DO I NEED TO FILL OUT AN APPLICATION FOR EACH CHILD? No. *Use one Free and Reduced-Price School Meals Application for all students in your household.* We cannot approve an application that is not complete, so be sure to fill out all required information. Return the completed application to, **(Deborah Over Food Service Director, 740 North Freer Road, Chelsea, Michigan 48118, dover@chelsea.k12.mi.us, 734-433-2201 ext. 1023).**
4. SHOULD I FILL OUT AN APPLICATION IF I RECEIVED A LETTER THIS SCHOOL YEAR SAYING MY CHILDREN ARE ALREADY APPROVED FOR FREE MEALS? No, but please read the letter you received carefully and follow the instructions. If any children in your household were missing from your